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Do not include proprietary materials.

DATE OF MEETING

06/14/01

The attached document(s), which was/were handed out in this meeting, is/are to be placed in the public domain as soon as possible. The minutes of the meeting will be issued in the near future. Following are administrative details regarding this meeting:

Docket Number(s)

05000 443

Plant/Facility Name

North Atlantic Energy Service Corporation
Seabrook Station

TAC Number(s) (if available)

Reference Meeting Notice

No. 01-025

Purpose of Meeting
(copy from meeting notice)

Meeting between North Atlantic Energy Service Corporation management and NRC staff to discuss the plant performance assessment resulting from the initial implementation of the Reactor Oversight Process, as described in the Annual Assessment Letter, dated May 30, 2001.

NAME OF PERSON WHO ISSUED MEETING NOTICE

CURTIS COWGILL

TITLE

CHIEF, PROJECTS BRANCH 6

OFFICE

REGION 1

DIVISION

DIVISION OF REACTOR PROJECTS

BRANCH

PROJECTS BRANCH 6

Distribution of this form and attachments:

Docket File/Central File

PUBLIC

ANNUAL ASSESSMENT MEETING



Nuclear Regulatory Commission

Agenda

- Introduction
- Review of Reactor Oversight Process
- Discussion of Plant Performance Results
- Licensee Remarks
- NRC Closing Remarks

NRC Representatives

- **Richard (Jack) Crlenjak, Deputy Director, Division of Reactor Projects**
 - (RVC@nrc.gov (610) 337-5080)
- **Curtis J. Cowgill, Chief Reactor Projects Branch 6**
 - (CJC1@nrc.gov (610) 337-5233)
- **Glenn Dentel, Senior Resident Inspector**
 - (GTD@nrc.gov (603) 474-3589)
- **Javier Brand, Resident Inspector**
 - (JMB3@nrc.gov (603) 474-3589)

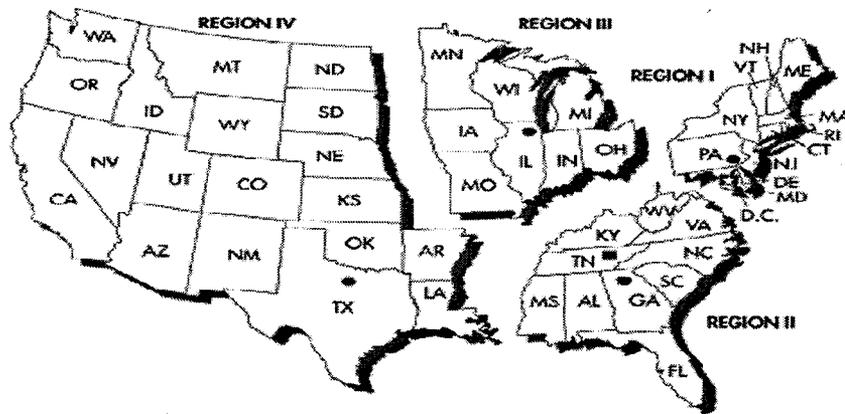
Reactor Oversight Process NRC Web site

<http://www.nrc.gov/NRR/OVERSIGHT/index.html>

NRC Activities

- Ensure nuclear plants are designed, constructed, and operated safely
- Issue licenses for the peaceful use of nuclear materials in the U.S.
- Ensure licensees use nuclear materials and operate plants safely, and are prepared to respond to emergencies

NRC REGIONAL OFFICES



- Regional Office (4)
- Technical Training Center (1)
- ⊠ Headquarters (1)

Note: Alaska and Hawaii are included in Region IV.
Source: Nuclear Regulatory Commission

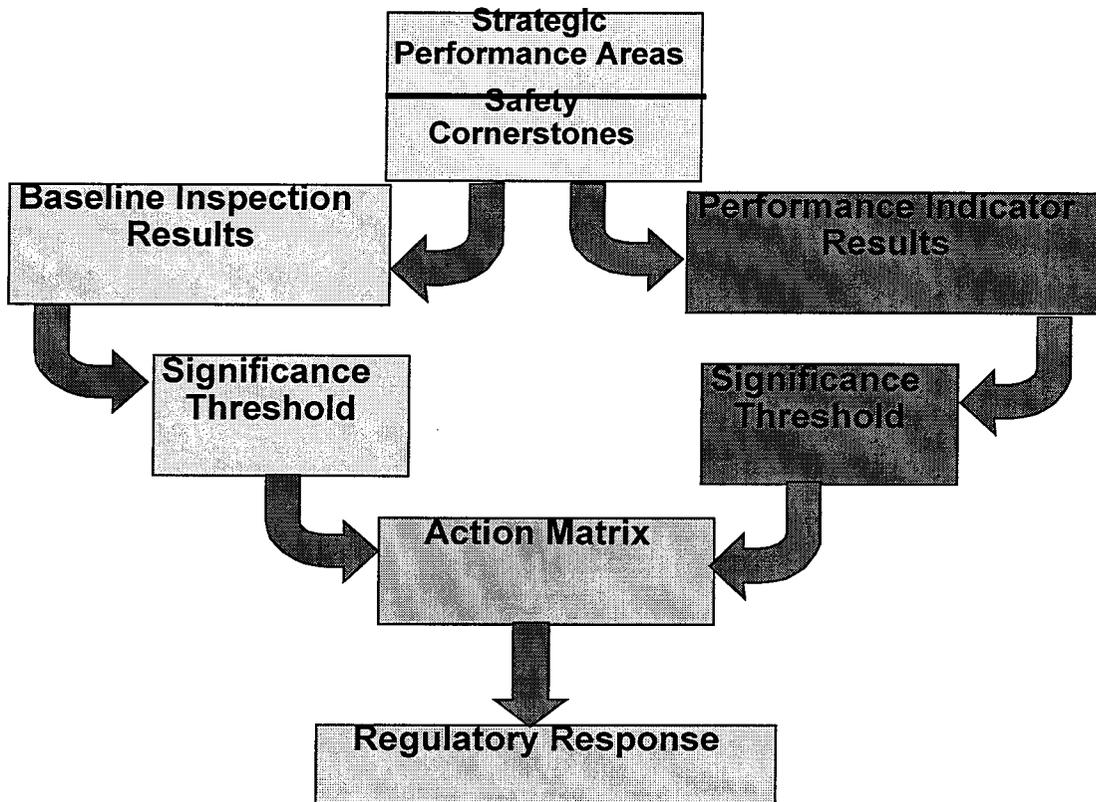
NRC Performance Goals

- Maintain safety and protect the environment
- Enhance public confidence
- Improve effectiveness, efficiency, and realism of processes and decision making
- Reduce unnecessary regulatory burden

NRC Oversight Activities

- Provides assurance plants are operating safely and in accordance with the regulations
- Risk informed process
- Objective indicators of performance
- Inspections focused on key safety areas
- Defines expected NRC and licensee actions

Reactor Oversight Process



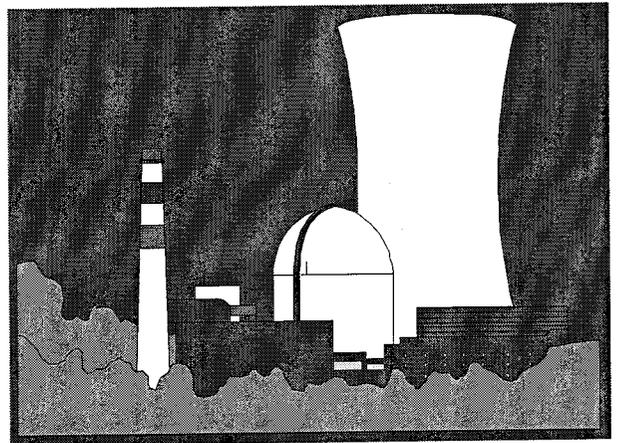
Strategic Performance Areas Safety Cornerstones

- Reactor Safety
 - Initiating Events
 - Mitigating Systems
 - Barrier Integrity
 - Emergency Preparedness
- Radiation Safety
 - Occupational Radiation Safety
 - Public Radiation Safety
- Safeguards
 - Physical protection

NRC Resident and Regional Inspectors Conduct Safety Inspections

Baseline Inspections at all reactor sites to monitor plant safety performance in each of the Strategic Performance Areas

Event Follow-up and Supplemental Inspections when required



Event Follow-up and Supplemental Inspection

- Review events for significance
- Follow-up significant inspection findings
- Determine causes of performance declines
- Provides for graduated response

Significance Threshold

Performance Indicators

- Green:** Performance requiring no NRC oversight beyond baseline Inspection
- White:** Performance may result in increased NRC oversight
- Yellow:** Performance that minimally reduces safety margin and requires more NRC oversight
- Red:** Performance that represents significant reduction in safety, requires more NRC oversight, but provides adequate protection to public health and safety

Inspection Findings

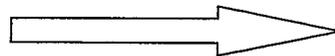
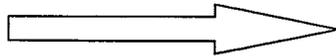
- Green:** Very Low safety issue
- White:** Low to moderate safety issue
- Yellow:** Substantial safety issue
- Red:** High safety issue

Key Aspects of Assessment Program

- Objective assessment of performance
- “Action Matrix” to determine agency response to performance
 - Inspection level increases
 - Management involvement increases
 - Regulatory action increases
- Plant specific assessment letters
- Information on NRC public web site

Action Matrix Concept

Licensee Response	Regulatory Response	Degraded Cornerstone	Multiple/Degraded Cornerstone	Unacceptable Performance
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Increasing Safety Significance

Increasing NRC Inspection Efforts

Increasing NRC/Licensee Management Involvement

Increasing Regulatory Actions

National Summary

First Quarter Calendar Year 2001 Performance Indicator Results

Green: 1818
White: 14
Yellow: 0
Red: 0

Total Inspection Findings (April 2000 - March 2001)

Green: 1031
White: 20
Yellow: 1
Red: 1

National Summary of Plant Performance - 102 Plants End of First Quarter Calendar Year 2001

Licensee Response	83
Regulatory Response	15
Degraded Cornerstone	3
Multiple/Repetitive Degraded Cornerstone	1
Unacceptable	0

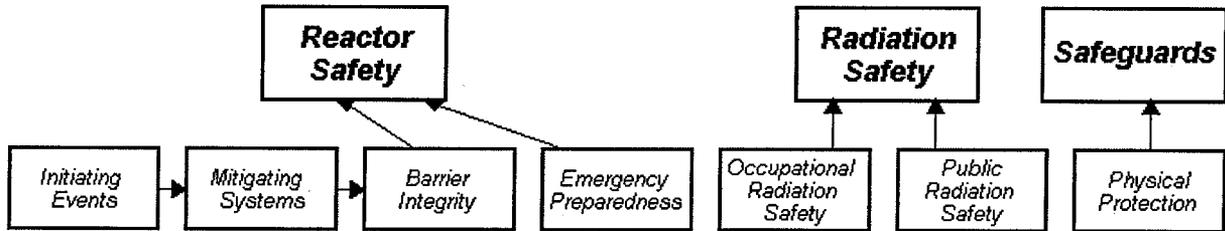
Seabrook Annual Assessment

- Operated safely
- Fully met all cornerstone objectives
- Current performance within Licensee Response Band of Action Matrix - End of First Quarter 2001
 - All Inspection Findings of very low safety significance (Green); EDG failure still TBD
 - All Performance Indicators requiring no additional NRC oversight (Green)
- NRC Plans to conduct baseline inspections -may conduct a supplemental inspection if EDG finding is White

Seabrook Annual Assessment

- Identified adverse trend - timely and effective resolution of degraded equipment
 - ▶ EDG failure in November 2000
 - ▶ Loss of power event in March 2001 (transmission line bushings)
 - ▶ Loss of power event in March 2001 (turbine-driven emergency feedwater pump)
- Inspection Focus Area

Seabrook 1 1Q/2001 Performance Summary



Performance Indicators

Unplanned Scrams (C)	Emergency AC Power System Unavailability (C)	Reactor Coolant System Activity (C)	Drill/Exercise Performance (C)	Occupational Exposure Control Effectiveness (C)	RETS/ODCM Radiological Effluent (C)	Protected Area Equipment (C)
Scrams With Loss of Normal Heat Removal (C)	High Pressure Injection System Unavailability (C)	Reactor Coolant System Leakage (C)	ERD Drill Participation (C)			Personnel Screening Program (C)
Unplanned Power Changes (C)	Heat Removal System Unavailability (C)		Alert and Notification System (C)			FFD/Personnel Reliability Program (C)
	Residual Heat Removal System Unavailability (C)					
	Safety System Functional Failures (C)					

Initiating Events → Mitigating Systems → Barrier Integrity Emergency Preparedness Occupational Radiation Safety Public Radiation Safety Physical Protection

Most Significant Inspection Findings

	Initiating Events	Mitigating Systems	Barrier Integrity	Emergency Preparedness	Occupational Radiation Safety	Public Radiation Safety	Physical Protection
1Q/2001	No findings this quarter	G	No findings this quarter	No findings this quarter	No findings this quarter	No findings this quarter	No findings this quarter
4Q/2000	No findings this quarter	G	G	No findings this quarter	No findings this quarter	No findings this quarter	No findings this quarter
3Q/2000	G	G	No findings this quarter	No findings this quarter	No findings this quarter	No findings this quarter	No findings this quarter
2Q/2000	No findings this quarter	No findings this quarter	No findings this quarter				

Miscellaneous findings

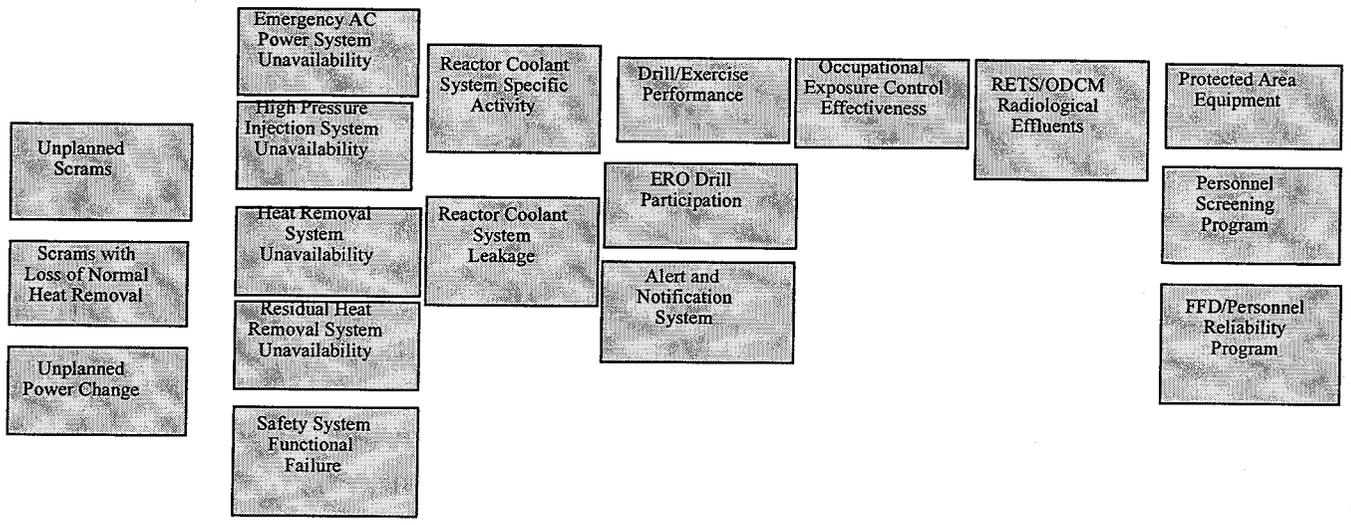
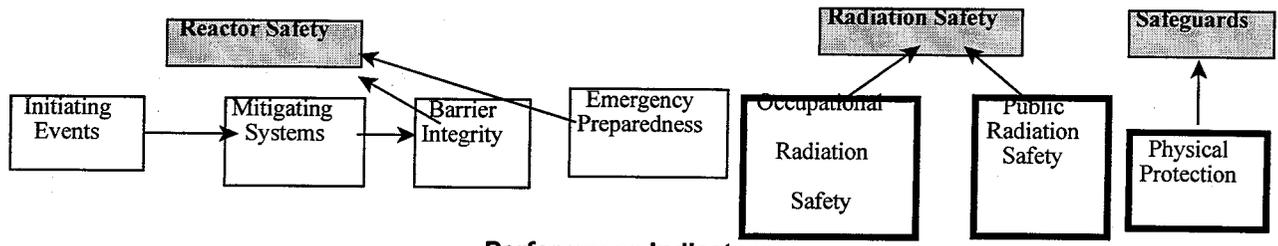
Additional Inspection & Assessment Information

Assessment Letters/Inspection Plans:

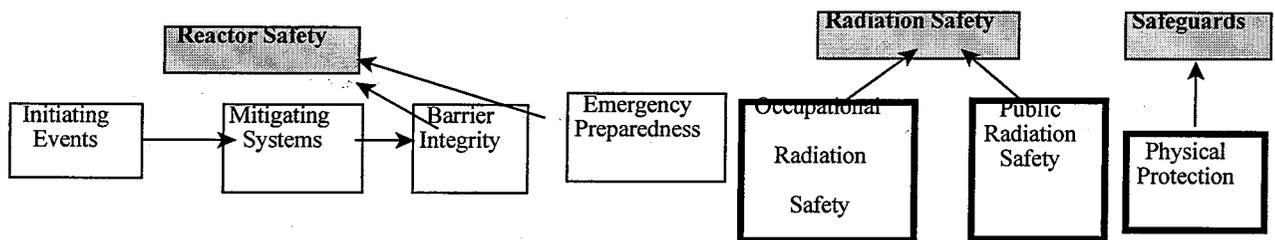
- 1Q/2001
- 4Q/2000
- 3Q/2000
- 2Q/2000

Inspection Reports

Relationship of Strategic Performance Areas, Safety Cornerstones and Performance Indicators



Inspection Areas



Inspection Procedures

- | | | | |
|-------------------------------|---------------------------|-----------------------|----------------------------|
| ● Adverse Weather | ● Operability Evaluation | ● Exercise Evaluation | ● Sec Authorization Access |
| ● Evaluation of Changes | ● Operator Workarounds | ● Alert and Notice | ● Sec Search |
| ● Equipment Alignment | ● Permanent Mods-Online | ● ERO Augment | ● Sec Response |
| ● Fire Protection | ● Permanent Mods | ● EAL | ● Sec Plan change |
| ● Flood Protection | ● Post Maintenance Test | ● EP Preparation | |
| ● Heat Sink | ● Refueling Outage | ● Drill Evaluation | |
| ● In Service Inspection | ● SSDI | ● RAD Access | |
| ● Operator Requalification | ● Surveillance Testing | ● ALARA Plan | |
| ● Maintenance Rule Imp | ● Temporary Modifications | ● RAD monitoring | |
| ● Maintenance Risk Assessment | ● PI&R | ● RAD Effluents | |
| ● Non-Routine Events | ● Event Follow-up | ● RAD Transport | |
| | ● PI Verification | ● RAD Environmental | |

An Action Matrix is used to assess overall plant safety performance and specify thresholds for NRC Enforcement Actions

		Licensee Response Column	Regulatory Response Column	Degraded Cornerstone Column	Multiple/ Repetitive Degraded Cornerstone Column	Unacceptable Performance Column
R E S U L T S		All Assessment Inputs (Performance Indicators (PIs) and Inspection Findings) Green; Cornerstone Objectives Fully Met	One or Two White Inputs (in different cornerstones) in a Strategic Performance Area; Cornerstone Objectives Fully Met	One Degraded Cornerstone (2 White Inputs or 1 Yellow Input) or any 3 White Inputs in a Strategic Performance Area; Cornerstone Objectives Met with Minimal Reduction in Safety Margin	Repetitive Degraded Cornerstone, Multiple Degraded Cornerstones, Multiple Yellow Inputs, or 1 Red Input; Cornerstone Objectives Met with Longstanding Issues or Significant Reduction in Safety Margin	Overall Unacceptable Performance; Plants Not Permitted to Operate Within this Band, Unacceptable Margin to Safety
R E S P O N S E	Regulatory Performance Meeting	None	Branch Chief (BC) or Division Director (DD) Meet with Licensee	DD or Regional Administrator (RA) Meet with Licensee	RA (or EDO) Meet with Senior Licensee Management	Commission meeting with Senior Licensee Management
	Licensee Action	Licensee Corrective Action	Licensee root cause evaluation and corrective action with NRC Oversight	Licensee Self Assessment with NRC Oversight	Licensee Performance Improvement Plan with NRC Oversight	
	NRC Inspection	Risk-Informed Baseline Inspection Program	Baseline and supplemental inspection procedure 95001	Baseline and supplemental inspection procedure 95002	Baseline and supplemental inspection procedure 95003	
	Regulatory Actions	None	Supplemental inspection only	Supplemental inspection only	-10 CFR 2.204 DFI -10 CFR 50.54(f) Letter - CAL/Order	Order to Modify, Suspend, or Revoke Licensed Activities
C O M M U N I C A T I O N	Assessment Letters	BC or DD review/sign assessment report (w/ inspection plan)	DD review/sign assessment report (w/ inspection plan)	RA review/sign assessment report (w/ inspection plan)	RA review/sign assessment report (w/ inspection plan) Commission Informed	
	Annual Public Meeting	SRI or BC Meet with Licensee	BC or DD Meet with Licensee	RA (or designee) Discuss Performance with Licensee	EDO (or Commission) Discuss Performance with Senior Licensee Management	Commission Meeting with Senior Licensee Management
INCREASING SAFETY SIGNIFICANCE ----->						